

Public Law 113–255  
113th Congress

An Act

Dec. 18, 2014  
[H.R. 4193]

Smart Savings  
Act.  
5 USC 101 note.

Determination.

Deadline.  
5 USC 8438 note.

5 USC 8438 note.

To amend title 5, United States Code, to change the default investment fund under the Thrift Savings Plan, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Smart Savings Act”.

**SEC. 2. THRIFT SAVINGS PLAN DEFAULT INVESTMENT FUND.**

(a) IN GENERAL.—Section 8438(c)(2) of title 5, United States Code, is amended to read as follows:

“(2)(A) Consistent with the requirements of subparagraph (B), if an election has not been made with respect to any sums available for investment in the Thrift Savings Fund, the Executive Director shall invest such sums in an age-appropriate target date asset allocation investment fund, as determined by the Executive Director. Such investment fund shall consist of any of the funds described in subsection (b).

“(B) If an election has not been made by an eligible member under section 8440e with respect to any sums available for investment in such member’s Thrift Savings Fund account, the Executive Director shall invest such sums in the Government Securities Investment Fund.”.

(b) ACKNOWLEDGMENT OF RISK.—Section 8439(d) of title 5, United States Code, is amended—

(1) by inserting “(1)” before “Each employee”; and

(2) by adding at the end the following new paragraph:

“(2) Prior to enrollment in the Thrift Savings Fund, or as soon as practicable thereafter, an individual who is automatically enrolled pursuant to section 8432(b)(2) shall receive the risk acknowledgment information described under paragraph (1).”.

(c) TECHNICAL AND CONFORMING AMENDMENT.—Section 8472(g)(2) of title 5, United States Code, is amended by striking “required by section 8438 of this title to be invested in securities of the Government” and inserting “under section 8438(c)(2)(B)”.

(d) GUIDANCE.—Not later than 9 months after the date of enactment of this Act, the Executive Director (as that term is defined under section 8401(13) of title 5, United States Code) shall develop and issue guidance implementing the requirements of this Act.

(e) EFFECTIVE DATE AND APPLICATION.—The amendments made by subsections (a) and (b) shall—

(1) take effect on the date that the Executive Director issues guidance under subsection (d); and

(2) apply to individuals enrolled in the Thrift Savings Plan on or after such date.

**SEC. 3. CLARIFICATION OF FIDUCIARY PROTECTIONS.**

Section 8477(e)(1)(C)(ii) of title 5, United States Code, is amended—

- (1) in subclause (II)—
  - (A) by inserting “or beneficiary” after “participant”; and
  - (B) by inserting “or option” after “fund”; and
- (2) in subclause (III)—
  - (A) by inserting “or beneficiary” after “participant”; and
  - (B) by inserting “or beneficiaries” after “participants”.

Approved December 18, 2014.

---

**LEGISLATIVE HISTORY—H.R. 4193 (S. 2117):**

HOUSE REPORTS: No. 113–507 (Comm. on Oversight and Government Reform).

SENATE REPORTS: No. 113–244 (Comm. on Homeland Security and Governmental Affairs) accompanying S. 2117.

CONGRESSIONAL RECORD, Vol. 160 (2014):

July 14, considered and passed House.

Dec. 10, considered and passed Senate.

